

February 24, 2020

Joint Legislative Committee on Local Government  
North Carolina General Assembly  
Legislative Building  
16 West Jones Street  
Raleigh, North Carolina 27601  
Attention: Committee Chairs and Committee Assistant

Fiscal Research Division  
North Carolina General Assembly  
Legislative Office Building  
Suite 619  
300 North Salisbury Street  
Raleigh, North Carolina 27603-5925

Local Government Commission  
N.C. Department of State Treasurer  
3200 Atlantic Avenue, Longleaf Building  
Raleigh, North Carolina 27604

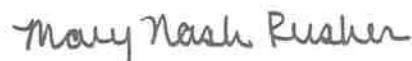
**Re: Financing of Improvements to Water and Sewer System by the Town of Clayton,  
North Carolina**

Ladies and Gentlemen:

Pursuant to Section 120-157.2(a) of the General Statutes of North Carolina, as amended, please be advised that the Town of Godwin, North Carolina (the "Town") intends to issue revenue bonds pursuant to The State and Local Government Revenue Bond Act, N.C.G.S. § 159-80 et seq. The Town Council for the Town (the "Town Council") has determined that it is necessary to make certain capital improvements to the Town's water and sewer system, including the design, engineering, acquisition, construction and equipping of a new Neuse River Water Reclamation Facility and the purchase of certain nutrient credits relating to the operation of its water and sewer system (collectively, the "Project"). The Town Council is considering the issuance of \$15,000,000 in the aggregate principal amount of the Town's Water and Sewer System Revenue Bonds (the "Bonds") to finance the Project. The Town has in place a bond order that pledges the revenue from the water and sewer system to the repayment of revenue bonds supported by the system. Therefore, repayment of the Bonds will come from the pledged revenues generated by the water and sewer system.

The Town intends to submit an application for approval of the Bonds to the North Carolina Local Government Commission (the "LGC") and expects that the LGC will consider for approval the Town's application at its meeting scheduled for April 7, 2020, or such later meeting as the Town and the Commission may determine.

Very truly yours,



Mary Nash Rusher